

Wyoming Lender Alert

Information for the Small Business Community

April 2008

Making a Difference for Small Business in Wyoming

U.S. Small Business Administration

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Calendar of Events

- April 1 -** Women's Roundtable Newcastle
- April 2 -** ReadyTalk conference call
- April 2 -** Women's Roundtable Casper
- April 3 -** Women's Roundtable Laramie
- April 12 -** Senator Mike Enzi's Inventors
- April 15 -** Women's Roundtable Cody
- April 17 -** Women's Roundtable Powell
- April 17 -** Reg Fair Roundtable, Cheyenne
- April 24 -** Casper Business Expo
- April 24 -** Native American Business Expo, Ethete

Jackie Dorothy Region VIII Winner Small Business Journalist of the Year 2008

The Wyoming District Office of the U.S. Small Business Administration has named Jackie Dorothy, News Director, Fremont County, KCWY Channel 13 News, as the Wyoming Small Business Journalist of the Year 2008. Jackie continued on to win the Region VIII Small Business Journalist of the Year 2008 award which included competition from Montana, Utah, North and South Dakota, Colorado and Wyoming. The award will be presented to Jackie by Steven Despain, District Director of the Wyoming Small Business Administration, on April 24, 2008 at the 8th Annual Native American Business Expo to be held at the Wyoming Indian High School in Ethete. Jackie was nominated by Lisa Wagner, Executive Director of the Wind River Development Fund.

This award is given to an individual making concerted efforts to increase public understanding of the importance of small business contributions to the economy; who makes contributions of news and feature stories, editorials, columns and commentary that highlight and analyze small business issues; this person performs volunteer community service aimed at enhancing small business opportunity and growth and other achievements that exemplify the nominee's media efforts to improve the understanding of the role of small business in the U.S. economy.

The President of the United States recognizes contributions of the small business community to the American economy and society by proclamation each year.



Jackie has contributed numerous news and feature stories that bring attention to and highlight small business issues in the community. She has been a particular advocate for the development of minority businesses and business development on the Wind River Indian Reservation. Because Channel 13 is a state-wide news program, Jackie's coverage of business issues impacts not only Fremont County and the Reservation, but the state as a whole. Jackie has also volunteered countless hours to help enhance small business opportunities and help grow the local economy. As a small business owner herself and a descendant of the Northern Arapaho Tribe, she serves as a role model and inspiration for aspiring entrepreneurs in Fremont County, on the Reservation and around the state.

Interest Rate Update

The interest rate on Section 7(a) Direct Business Loans is 5 3/8 percent (5.375%) for the fiscal quarter beginning April 1, 2008. *(Information only – no direct funds available at this time.)*

The optional peg rate for fluctuating interest rates on guaranty loans is 4 3/8 percent (4.375%) for the April - June quarter of FY 2008.

Pursuant to 13 CFR 120.921(b), the maximum legal interest rate for any third party lender's commercial loan which funds any portion of the cost of a 504 project (see 13 CFR 120.801) shall be 6% over the New York Prime rate or, if that exceeds the maximum interest rate permitted by the constitution or laws of a given State, the maximum interest rate will be the rate permitted by the constitution or laws of the given State.

Office of Veterans Business Development

In fiscal year 2007, the Office of Veterans Business Development, U.S. Small Business Administration, through district office outreach, its Veterans Business Outreach Center Program, and a public/private partnership with RecruitMilitary provided assistance to 62,268 veteran, service-disabled veteran small business owners/ entrepreneurs, self-employed members of the Reserve and transitioning military personnel.

For information on the programs and services for veterans and Reservists, visit www.sba.gov/VETS or www.sba.gov/reservists.

Veterans We Salute You!

Loan Regulations Revised!!

SOP 50 10, which covers 7(a) and 504 loan processing as well as the requirements to become and remain a 7(a) lender (Lender) or a Certified Development Company (CDC), has been completely rewritten and is being issued as SOP 50 10(5). The revision will be effective May 1, 2008. The purpose of the revision was to develop a more concise version of the SOP that is up to date and user-friendly. The revised SOP can be found at:

<http://www.sba.gov/tools/resourcelibrary/sops>.

This version of SOP 50 10 reflects significant input by program participants, including Lenders, CDCs and their representatives, and by SBA employees. It is a direct response to concerns expressed by users of the SOP that the document had become unwieldy and outdated. SBA actively sought public input into the rewrite and established an electronic mailbox so that all interested parties could submit comments and suggestions. Over 200 emails were received. SBA considered the comments and suggestions in developing the final product.

SOP 50 10(5) was reduced from approximately 1000 pages, including program guides and notices, to fewer than 400 pages. In addition, SOP 50 10(5) is more logically organized into three subparts:

- Subpart A: Lender and CDC Participation Requirements (approximately 70 pages)
 - Subpart B: 7(a) Business Loan Programs (approximately 150 pages)
 - Subpart C: 504 CDC Loan Programs (approximately 80 pages)
- (The balance of SOP 50 10(5) is the table of contents, the appendices, and the index.)

Previously, a Lender or CDC had to refer to several different parts of the SOP (as well as subsequent notices) to identify all the policies and procedures governing loan processing for a 7(a) or 504 loan. In addition, as new programs were developed (such as SBA Express or Patriot Express), a Lender was required to refer to a separately published program guide or procedural notice in addition to the SOP. With this new edition of the SOP, all of the 7(a) loan program requirements including SBA Express and the Pilot Loan Programs (Export Express, Community Express and Patriot Express) are contained in Subpart B and all 504 loan program requirements are contained in Subpart C. The policies and procedures that apply to both programs are separately incorporated into each subpart.

Also, rather than include the text of the regulations and forms as part of the SOP (which resulted in outdated references when the regulations or forms were subsequently modified), SOP 50 10(5) includes hyperlinks that take the reader to the most current version available on the internet.

In addition to the structural changes to the SOP discussed above, there are a limited number of minor policy changes or clarifications that have been incorporated into the revision

Loan Servicing and Liquidation

Guidance on loan processing for all SBA loan programs is included in this revised SOP 50 10. Until SOP 50 50 and SOP 50 51 are updated to include SBA Express and the Pilot Loan Programs, the servicing and liquidation guidance contained in the program guides governing SBA Express and the Pilot Loan Programs remains in effect. *(Continued on Page 3 – Loan Regulations)*

Size Eligibility

What Will I Need to be Considered for SBA Loan Assistance?

SBA defines a small business as one that is independently owned and operated. A small business must also meet the employment or sales standards developed by SBA and based on the North American Industry Classification S.

In general, the following criteria are used by SBA to determine if a concern qualifies as a small business and is eligible for SBA loan assistance:

- **WHOLESALE** – not more than 100 employees;
- **RETAIL or SERVICE** – Average (3 year) annual sales or receipts of not more than \$6.5 million, depending on business type;
- **MANUFACTURING** – Generally not more than 500 employees, but in some cases 1,500 employees;
- **CONSTRUCTION** – Average (3 year) annual sales or receipts of not more than \$18.5 million, depending on the specific business type, common tax filing dates, and much more.

SBA Salutes the Nation's Best Entrepreneurs at National Small Business Week April 21-25, 2008

(Loan Regulations -- Continued from Page 2)

Search Capability

SBA is continuing to search capabilities of this SOP. We decided to release this document with existing search capabilities in order to issue an updated

Future Updates

SBA plans to update the SOP every six months. We expect the initial update to include program enhancements currently under consideration for Small/Rural Lender Advantage and Community Express. Lenders, CDCs and other interested parties seeking clarifications or improvements may e-mail SBA at SOP50-10Modernization@sba.gov.

New Web-Based Course for Small Business Owners

The U.S. Small Business Administration has launched its latest free online course, **Business Opportunities: A Guide to Winning Federal Contracts**. The instructional, self-paced guide is easy to follow and available on SBA's website at www.sba.gov/training. From the SBA's training site, click on the menu of free online courses, and then select the first course listed under Government Contracting.

The Business Opportunities online course is designed for all small businesses, especially women entrepreneurs and small firms in underserved markets that have historically had difficulty in tapping into federal contract markets. The course is comprehensive and uses both script and audio to provide information about the \$400 billion federal market, contract rules, and most importantly, where to find contract opportunities and how to sell to the government. "Federal contracts offer many opportunities for small businesses and this training program will help prepare firms to benefit from federal buying markets," said SBA Administrator Steve Preston.

The course module includes more than 40 links highlighting the best contracting resources and directly engages entrepreneurs in the contracting process. For example, the course encourages and leads participants to the Central Contract Registration (CCR) – generally considered the first step in engaging in the federal market place. The course also includes several other practical "next steps," all designed to engage business owners in the federal contracting space.

Once completing the 30-minute tutorial, business owners can earn a certificate of completion from the SBA.

The Business Opportunities online course is one of more than 24 online tutorials offered by the SBA. On a typical day, 700 to 1,500 customers register for online courses offered by SBA through its virtual campus at the Small Business Training Network (www.sba.gov/training).

Updates – National Guaranty Purchase Center (Herndon)

You are welcome to join our ReadyTalk conference call.

Date: **Wednesday, April 2, 2008**

Time: 1:30pm – 2:30pm MDT

Call in via toll-free: 1-866-740-1260

Access Code: 3081102#

Go to website: <http://www.readytalk.com>

Access Code: 3081102#

This is an opportunity to get questions answered by SBA Headquarters.